

2012 HIGHLIGHTS

The Department of General Services' (DGS) Office of Fleet Management Services (OFMS) continues to operate the Vehicle Maintenance Control Center (VMCC) that services approximately 4,500 vehicles. Over 175 agencies and institutions of the Commonwealth use these vehicles to conduct official state business. The Office administers, monitors, and enforces all rules and regulations regarding the assignment, utilization, maintenance, repair, and replacement of fleet vehicles. In addition, OFMS oversees the operation of a 24/7 Vehicle Management Control Center responding to customer vehicle issues and emergencies.



SAVINGS AND COST AVOIDANCE

- In FY12 the VMCC was able to reduce direct maintenance costs to the OFMS fleet by approximately \$412,000. The VMCC has enabled DGS to perform vehicle maintenance and repair work more efficiently and at lower costs.
- Approximately 300 agencies and localities are currently using the DGS state collaborative contracts for the vehicle fuel cards, bulk fuel and short term vehicle rentals. The short term vehicle rental contract has realized a cost avoidance for state agencies and localities from FY07 through FY12 of approximately 2.8 million.
- By having the contract to use Enterprise, it has resulted in a cost avoidance to the Commonwealth in FY12 of approximately \$459,545. The state's policy for travel reimbursement was \$0.555 per mile. In FY12, employees traveled a total of 5,265,101 miles in Enterprise vehicles for a total Enterprise rental cost of \$1,787,873 and fuel cost of \$674,713. With the Enterprise contract the cost for the same amount of travel equates to about \$0.47 per mile. If the same number of miles (5,265,101) would have been reimbursed using the personal reimburse rate in effect in FY12 of \$0.555 per mile it would have cost the Commonwealth a total of about \$2.9 million.

CoVA Cost Avoidance (Enterprise Rentals)	FY10	FY11	FY12
Miles Driven	4,314,009	4,755,594	5,265,101
Fuel Used (Gallons @ 27 MPG)	159,778	176,133	195,004
Avg. Fuel Cost/Gal	\$2.19	\$2.70	\$3.46
Fuel Cost	\$349,914	\$475,559	\$674,713
IRS Mileage Rate	\$0.525	\$0.505	\$0.555
Personal Reimbursement Cost (Potential)	\$2,264,855	\$2,401,575	\$2,922,131
Less Rental Vehicle Cost	(\$1,693,529)	(\$1,545,392)	(\$1,787,873)
Less Rental Fuel Cost	(\$349,914)	(\$475,559)	(\$674,713)
CoVA Cost Avoidance (YTD)	\$221,412	\$380,623	\$459,545

OPERATIONAL EFFECTIVENESS

With the reengineering of the Fleet Management Program, the Office of Fleet Management Services moves forward with phase two of its program. This includes an increase in operations and personnel to the Vehicle Management Control Center (VMCC) and increasing the number of agencies and localities that are provided automotive maintenance service.

The VMCC program proved to be successful in the first phase so OFMS extended all of the VMCC services to other state agencies and public entities in Phase II. These are a few of the agencies utilizing the program:

- Richmond Redevelopment Housing Authority
- Office of the Attorney General
- Department of Motor Vehicles
- Department of Corrections
- Department of Housing and Community Development
- Department of General Services Surplus

- Department of Rehabilitative Services
- Wytheville Community College
- Department of Agriculture
- Department of Environmental Quality
- Virginia Correctional Enterprises
- Department of Social Services
- Department of Conservation and Recreation

VEHICLE MANAGEMENT CONTROL CENTER (VMCC)



The VMCC is a public/private partnership between DGS and All Star Inc., to manage vehicle maintenance requirements for OFMS vehicles. The VMCC offers the following services:

- A call center staffed with experienced representatives who respond to and manage scheduled and unscheduled vehicle maintenance and repair.
- Provision of emergency response 24 hours a day, 7 days a week for operators of state vehicles involved in emergency and non-emergency vehicle incidents.
- State-of-the-art automated fleet management application that captures vehicle maintenance, repair and operation information resulting in reliable and accurate vehicle management benchmark and performance data.
- Vehicle maintenance application with the ability to track all vehicle warranty and recall information.

CUSTOMER-FOCUSED SERVICE

- As a response to the current trend of fleet consolidation and outsourcing, the OFMS is expanding the Fleet Management Program currently offered to state agencies. Through a strategic marketing effort targeting local governments, OFMS will be consolidating management of government vehicles. This consolidation will create an economy of scale savings that can be realized by all parties.
- OFMS has completed facility expansions and is currently enlisting new state agencies into the Vehicle Management Control Center. Some of the current service offerings to local government entities are:
 - DMV registration, licensing, and titling services
 - 24/7 emergency roadside service
 - Short-term vehicle rentals through Enterprise Rental car contract as well as long-term vehicle assign-

ments.

- Vehicle management services through the OFMS Vehicle Management Control Center.
- Automotive preventive maintenance and unscheduled repair services.
- Vehicle gas and E85 refueling at the OFMS facility.
- Bulk fuel, fuel card and consignment fuels through the statewide Motor Fuel contracts.

GOVERNOR'S ALTERNATIVE FUEL INITIATIVE

- IN 2011 the General Assembly passed legislation and an executive order was issued requiring the state to pursue an alternative fuel arrangement under Virginia's Public-Private Education Facilities and Infrastructure Act (PPEA) of 2002. Two private fuel companies, that could fulfill the requirements, were identified to help build infrastructure and convert the vehicle fleet. In September 2012, Governor McDonnell signed a multi-state agreement and executive directive to advance the conversion of the state's fleet to alternative fuels. In the next 12 months DGS will contact state agencies, identify vehicles in the 15,500 fleet that qualify for alternative fuel conversion, and begin the process. DGS will also work with municipalities and their transit systems to implement conversion to alternative fuels where applicable.

STATE MOTOR FUEL PROGRAM

- The Commonwealth of Virginia Department of General Services (DGS) was directed by the General Assembly to procure, through a competitive procurement process, gasoline and diesel fuel for state and local government entities. DGS launched the State Motor Fuel Program with collaborative contracts for bulk fuel, fuel cards and consignment fuel that aggregated the Commonwealth's fuel purchasing into a single procurement. The OFMS has been marketing the program to local governments and by FY12 has incorporated 59 bulk fuel and 137 fuel card participants into the program.

Bulk Fuel Program

Through aggregating the volume, the resulting contracts were able to reduce the contract differential by an average of 18% for gasoline and 34% for diesel when compared to the current VDOT contracts.

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